

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF HIMA-SIBERT)	
WATER DISTRICT FOR A RATE ADJUSTMENT)	CASE NO. 89-028
PURSUANT TO THE ALTERNATIVE RATE FILING)	
PROCEDURE FOR SMALL UTILITIES)	

O R D E R

On February 6, 1989, Hima-Sibert Water District ("Hima-Sibert") filed its application for Commission approval of a proposed increase in its rates for water service. The proposed rates for water service would generate additional annual revenues of \$58,512, an increase of 100 percent above its adjusted test-year revenues.

In January 1989, Commission Staff conducted a field review of Hima-Sibert's test-period financial records.¹ Based upon this review, Commission Staff issued its report on May 17, 1989, recommending a \$31,947 increase in Hima-Sibert's adjusted test-year revenues.

By letter dated May 18, 1989, Hima-Sibert was advised to submit its comments on the Staff Report or request a hearing no later than June 2, 1989 or the case would stand submitted to the

¹ Hima-Sibert requested and received assistance from Commission Staff in preparing its application for rate adjustment. Commission Staff conducted its field review while providing this assistance.

Commission for decision. No comments on the Staff Report or requests for a hearing have been received.

The Commission, after considering the evidence of record and being sufficiently advised, finds:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The rates in Appendix A, attached and incorporated hereto, are the fair, just, and reasonable rates for Hima-Sibert and will produce gross annual revenues of \$93,468. These rates will allow Hima-Sibert sufficient revenues to meet its operating expenses, service its debt, and provide for future equity growth.

3. The rates proposed by Hima-Sibert would produce revenue in excess of that found reasonable herein and should be denied.

4. Hima-Sibert's proposed nonrecurring charges are cost justified and should be approved.

5. Hima-Sibert's proposal to increase its connection fee from \$250 to \$300 for 5/8 x 3/4-inch connections should be approved.

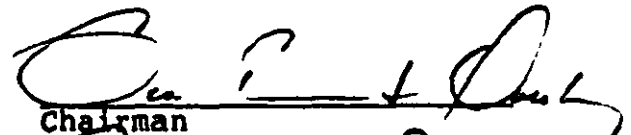
IT IS THEREFORE ORDERED:

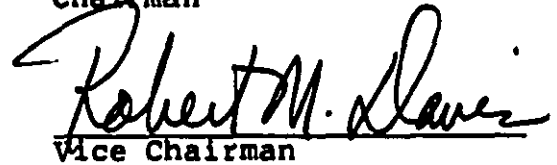
1. The rates contained in Appendix A are approved for service rendered by Hima-Sibert on and after the date of this Order.

2. Within 30 days of the date of this Order, Hima-Sibert shall file with the Commission its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 16th day of June, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 89-028 DATED June 16, 1989

The following rates and charges are prescribed for the customers in the area served by Hima-Sibert Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First 2,000 gallons	\$9.80 Minimum Bill
Next 8,000 gallons	3.25 per 1,000 gallons
Next 10,000 gallons	2.95 per 1,000 gallons
Next 20,000 gallons	2.70 per 1,000 gallons
Over 40,000 gallons	2.45 per 1,000 gallons

Non-recurring Charges

Service Investigation	\$25.00
Returned Check Fee	17.50
Meter Test Request	25.00
Meter Reading Recheck	15.00

Connection Fee

5/8 x 3/4 Inch	\$300
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